

# European Communities

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## EUROPEAN PARLIAMENT

# Working Documents

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13 December 1976

DOCUMENT 474/76

## Report

drawn up on behalf of the Committee on Agriculture

on the proposal from the Commission of the European Communities to the Council (Doc. 373/76) for a regulation establishing a Community system for the conservation and management of fishery resources

Rapporteur: Mr N.A. KOFOED

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PE 46.548/fin.

1.2.3

English Edition



By letter of 19 October 1976 the President of the Council of the European Communities requested the European Parliament, pursuant to Article 43 of the EEC Treaty, to deliver an opinion on the proposal from the Commission of the European Communities to the Council for a regulation establishing a Community system for the conservation and management of fishery resources.

On 4 November 1976 the President of the European Parliament referred this proposal to the Committee on Agriculture as the committee responsible and to the Committee on Legal Affairs and the Committee on Budgets for their opinions.

The Committee on Agriculture appointed Mr Kofoed rapporteur.

On 17 November 1976 the President of the European Parliament referred to the Committee on Agriculture the motion for a resolution tabled by Mr Dykes, Mr Fletcher, Mrs Kellett-Bowman, Mr Scott-Hopkins and Mr Spicer, on the extension of the fishing zones of Community Member States and preservation of fish stocks within the Community's proposed 200-mile exclusive economic zone.

It considered this proposal and this motion for a resolution at its meetings of 22 and 23 November 1976 and 2 and 3 December 1976.

At its meeting of 2 and 3 December 1976 the committee adopted the motion for a resolution and explanatory statement by ten votes to one.

Present: Mr Houdet, chairman; Mr Kofoed, rapporteur; Mrs Dunwoody, Mr Haase, Mr Hansen, Mr Hughes, Mr de Koning, Mr Martens, Mr Ney, Mr Rivierez (deputizing for Mr Liogier) and Mr Scott-Hopkins.

The opinions of the Committee on Legal Affairs and the Committee on Budgets are attached.

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The Committee on Agriculture hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement :

MOTION FOR A RESOLUTION

embodying the opinion of the European Parliament on a proposal from the Commission of the European Communities to the Council for a regulation establishing a Community system for the conservation and management of fishery resources

The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council<sup>1</sup>,
  - having been consulted by the Council pursuant to Article 43 of the EEC Treaty (Doc. 373/76),
  - having regard to the motion for a resolution tabled by Mr Dykes, Mr Fletcher, Mrs Kellett-Bowman, Mr Scott-Hopkins and Mr Spicer, on the extension of the fishing zones of Community Member States and preservation of fish stocks within the Community's proposed 200-mile exclusive economic zone (Doc. 425/76),
  - having regard to the report of the Committee on Agriculture and the opinions of the Committee on Legal Affairs and the Committee on Budgets (Doc. 474/76),
  - having regard to the communication from the Commission of the European Communities to the Council (COM(76) 500 final),
  - having regard to Regulation No 101/76 laying down a common structural policy for the fishing industry,
  - having regard to Articles 100 to 103 of the Treaty of Accession,
  - having regard to the fact that Article 1 of Regulation No 101/76 concerning a common structural policy for the fishing industry lays down that common rules should be established for the promotion of the harmonious and balanced development of the fishing industry within the general economy and to encourage the rational use of the biological resources of the sea,
  - having regard to the fact that Article 102 of the Treaty of Accession lays down that from the sixth year after accession, at the latest, the Council, acting on a proposal from the Commission, shall determine conditions for fishing with a view to ensuring protection of the fishing grounds and conservation of the biological resources of the sea,
  - having regard to the United Nations Third Conference on the Law of the Sea,
1. Emphasizes the importance of the fishing industry to the economies of certain regions of the Community, and the very serious problems created by the depletion of fish stocks;

<sup>1</sup> OJ No. C 255, 28.10.1976, p.3

2. Notes that the extension of fishing zones to 200 miles by a number of third countries has created a situation urgently requiring a Community external fisheries policy and an internal fisheries system;
3. Recalls the European Parliament's support for measures to provide for a coherent fish conservation policy, including negotiations with third countries;

#### External fisheries policy

4. Urges that negotiations be concluded without delay with third countries to provide continued access by Community fishermen to their traditional fishing grounds, and believes that, in reaching such reciprocal agreements, commercial arrangements as well as fishing rights should be taken into account;
5. Regrets that insufficient attention has been paid to the problems facing Community fishermen in the Baltic and the Mediterranean, and urges the Commission and the Council to ensure that the extension of fishing zones in the Atlantic and the North Sea will not be to the detriment of Community fishermen in the Baltic Sea;
6. Requests the Commission and the Council to give urgent consideration to the problems involved in ensuring that a 200 mile Community fishing zone will be respected by third countries;
7. Insists that the burden of policing the Community fishing zone must fall equitably, and considers that the Community should bear a part of the costs of policing the extended zone;
8. Requests the Council to call an immediate conference of the Member States in order to establish very rapidly an adequate maritime enforcement force;
9. Believes that the Commission should initiate negotiations on international agreements for the conservation of resources, going beyond the limited competences given to existing Fisheries Commissions;

#### Internal fisheries policy

10. Urges that the internal fisheries system be based on:
  - (a) fishing quotas for each Member State;
  - (b) limiting of fishing effort by licensing arrangements; and
  - (c) reserved fishing zones.

This system should give due recognition to the historic fishing rights of Member States, the needs of those peripheral coastal regions which are particularly dependent on fishing and the essential requirement to conserve and increase the Community's fishing stocks;

11. Considers that the fishing sector is beset by serious problems of over-capacity, which lead to reduction in income and encourage over-fishing of reserves, and make imperative the rapid implementation of effective structural and fish stock conservation policies controlled by the coastal state;
12. Believes that much greater attention must be paid to the problems of local communities largely dependent on the fishing industry, and considers, furthermore, that since the extension of fishing limits will do little to protect the interests of the small inshore fisherman, solutions must be sought so as to protect such fishermen in their traditional grounds, by the strict control of equipment employed to catch certain species (and in particular sole and plaice) in regionally limited reserved zones of variable extent;
13. Considers that, in view of the need to limit catches of certain fish species for reasons of conservation, the market organization and import regimes for the fisheries sector require strengthening; but, at the same time, calls upon the Commission to examine the possibility that quotas will lead to price increases, and the resulting impact upon incomes in the fishing sector, on the consumer and on consumption patterns;

#### Structural policy

14. Condemns the Council for failing to adopt the Commission's proposal concerning the conditions for granting national aid under the common structural policy for seafishing, and the proposal on a programme for restructuring the non-industrial inshore fishing industry;
15. Urges the Council to adopt with minimum delay proposals to set up a structural policy for the deep sea fishing sector, since any measures for the conservation of fish stocks will depend on the prior existence of an effective structural policy;
16. Notes that the establishment of quotas of levels that will be effective for conservation, whether national or Community, will lead to a number of larger fishing vessels becoming uneconomic;
17. Believes that in the development of a structural policy, immediate attention must be paid to :
  - the reconversion of deep sea boats and their replacement by multi-purpose middle water boats;
  - the adaptation of processing and marketing to under-exploited fish species, such as, for example, blue whiting and horse mackerel;
18. Urges that structural measures be drawn up in conjunction with the Regional and Social Funds to establish alternative employment for those land based workers dependent on the fishing industry who will be affected by the adjustment to 200 mile fishing zones;

19. Considers that incentives to encourage the early retirement of fishermen or the breaking up of boats should be set at much higher levels than in the past, so as to be effective;
20. Believes that incentives should be established to encourage the reduction of fish meal capacity, except that treating offal, and for the establishment of alternative occupations, but believes, at the same time, that much greater research is needed into the species of fish suitable for industrial fishing and the effects of industrial fishing on the dynamics of fish stocks;
21. Believes that the Commission should pay greater attention to the question of marketing of fresh and chilled fish, in view of the very great discrepancies in prices within the Community, and examine the feasibility of introducing a minimum import price system;

#### Conservation policy

22. Considers that the basis of an internal fisheries policy must be the establishment of scientifically derived quotas and controlled fishing zones, and that the Community should insure an efficient fisheries inspection system within the fisheries zone of the Community based on national inspection systems and carried out on behalf of the Commission; the costs of this inspection should be considered as part of the total cost of the implementation of the common fisheries policy;
23. Believes that, while quotas constitute a very important element in planning conservation policies, equal attention must be paid to the establishment of minimum mesh sizes in certain areas and depths of waters, and to minimum landing sizes for each species and furthermore rejects the concept of any allocation of quotas being on 'past performance';
24. Recognises, therefore, that a conservation policy requires an effective monitoring system covering individual boats and landings at each port by species;
25. Considers that the Commission's proposal for the establishment of a permit system is an important step towards an effective conservation policy, and that effective permits and licensing must cover boats, equipment, fishing skippers, and the number of days on which boats may operate, and the species which may be caught, as a basic minimum; but believes that greater information is required on the means by which it is to be implemented, particularly for fishing vessels, whether originating in the Community or Third Countries, landing at ports outside the Community or factory ships outside Community waters; and insists, consequently, that agreements concluded with Third Countries include reciprocal provisions for the supervision of landings;



26. Finds unacceptable the Commission's proposals concerning sanctions to ensure the respect of conservation measures, since no indication is given as to the type of sanctions envisaged or the means by which they are to be implemented;
27. Suggests that in future reviews of quotas, catches allocated to Member States should be based, in part, on the degree to which they respect the conservation measures to be established;
28. Insists that immediate measures be taken to implement the severest restrictions on all fishing for herring within Community waters for as long as is necessary to redevelop stocks;
29. Stresses the importance in an overall fish conservation policy of providing for the upward adjustment of quotas for under-exploited species and a rapid means of downward adjustment of quotas for those species over-exploited;
30. Considers that, in order to develop and implement an effective Community stock preservation policy, Community aid should be granted to fisheries research centres within Member States; and that the Commission should propose measures to coordinate the activities of such centres.
31. Calls upon the Commission to coordinate national research by means of Community studies carried out within the Scientific and Technical Committee for Fisheries.

Proposal from the Commission to the Council  
for a regulation establishing a Community  
system for the conservation and management  
of fishery resources

Preamble, recitals and Article 1 unchanged

Article 2

1. The Council, acting by a qualified majority on a proposal from the Commission, shall adopt the conservation measures necessary to achieve the aims set forth in Article 1. These measures shall be formulated in the light of the report prepared by the Scientific and Technical Committee for Fisheries provided for in Article 13 and of any other relevant information available.

2. The measures referred to in paragraph 1 may in particular include, for each species or group of species:

- a) the establishment of zones where fishing is prohibited or restricted to certain periods, certain types of vessels or certain fishing tackle;
- b) the setting of standards as regards the mesh size of fishing nets;
- c) the setting of a minimum size or weight;
- d) the restriction of fishing, in particular by limits on catches.

Article 2

1. unchanged

2. The measures referred to in paragraph 1 may in particular include, for each species or group of species:

- a) the establishment of zones where fishing is prohibited or restricted to certain periods, certain types of vessels, certain fishing tackle or fishermen from the littoral coast employing boats of less than a certain size with specified fishing tackle;

b) unchanged

c) unchanged

d) unchanged

Article 3 unchanged

Article 4

Sub-paragraphs 1, 2 and 3 unchanged

Article 4

4. In allocating annual catches that may be taken by Member States, consideration shall be given to compliance, or otherwise, by fishermen of that Member State with the provisions of this regulation.

Sub-paragraphs 4 and 5 become new 5 and 6

Article 5 unchanged

Article 6

1. Notwithstanding Article 2 of Regulation (EEC) No. 101/76 and without prejudice to the application of Articles 100 and 101 of the Act of Accession, the Member States are authorized to restrict fishing in waters under their sovereignty or jurisdiction situated within a limit of twelve nautical miles, calculated from the base lines of the coastal Member State, to vessels which fish traditionally in those waters and which operate from ports in the local coastal area.

Article 6

1. Notwithstanding Article 2 of Regulation (EEC) No. 101/76 and without prejudice to the application of Articles 100 and 101 of the Act of Accession, the Member States are authorized to restrict fishing in waters under their sovereignty or jurisdiction situated within a limit of twelve nautical miles, calculated from the base lines of the coastal Member State, to vessels which fish from ports in the local coastal area.  
(7 words deleted)

Subparagraphs 2 and 3 unchanged

Article 7 unchanged

Article 8

Article 8

Sub-paragraphs 1 and 2 unchanged

3. The Council, acting on a proposal from the Commission, shall adopt general rules for the application of this Article.

3. The Council, acting on a proposal from the Commission, in accordance with the procedure laid down in Article 43(2) of the Treaty, shall adopt general rules for the application of this Article.

4. Detailed rules for the application of this Article shall be adopted in accordance with the procedure laid down in Article 15.

4. unchanged

Article 9

Article 9

Sub-paragraphs 1 and 2 unchanged

3. The Commission shall forward an annual report to the European Parliament and the Council on the operation of the conservation measures, the quotas allocated and the economic effectiveness of structural measures adopted.

Article 10

Article 10

The Council, acting by a qualified majority on a proposal from the Commission, shall adopt measures to ensure compliance with the provisions of this Regulation and with the measures adopted in implementation thereof.

The Council, acting by a qualified majority on a proposal from the Commission, shall adopt measures to ensure compliance with the provisions of this Regulation and with the measures adopted in implementation thereof and after consulting the European Parliament.

Article 11 unchanged

Article 12

There shall be adopted by way of common measures within the meaning of Article 6(1) of Council Regulation (EEC) No 729/70 of 21 April 1970 on the financing of the common agricultural policy, as last amended by Regulation (EEC) No 2788/72, short-term economic measures designed to facilitate in particular the following:

- (a) the definitive withdrawal from operation of ~~obsolete and uneconomic~~ deep-sea fishing vessels;
- (b) the temporary withdrawal from operation of deep-sea fishing vessels;
- (c) the reduction, under fishing plans prepared by recognised producers' organisations, of the duration of the fishing activities of vessels belonging to their members;
- (d) the intensification of research with a view to fishing for new species or in new grounds;
- (e) the intensification of research to evolve techniques for exploiting and improving the marketing of species of fish at present not used or under-used for human consumption;
- (f) the phased conversion of certain plants producing significant quantities of fish meal and fish oil.

Article 12

unchanged

unchanged

unchanged

unchanged

unchanged

unchanged

(f) the transformation of processing installations to requirements of processing new fish species;

(g) text from old (f)

(h) the development of marketing of fresh, chilled or frozen fish, with priority given to those measures designed to improve trade between Member States;

(i) the creation, in the framework of regional development plans drawn up in conjunction with assistance granted from the Regional and Social Funds, of alternative employment for those land based workers dependent on the fishing industry who will be affected by the conservation and structural measures adopted, and for those workers employed in the fish meal industry.

Article 13

1. The Commission shall set up under its auspices a Scientific and Technical Committee for Fisheries. The Committee shall be consulted periodically and shall prepare an annual report on the situation as regards fish resources and on ways and means of conserving fishing grounds and stocks.

Article 13

1. The Commission shall set up under its auspices a Scientific and Technical Committee for Fisheries. The Committee shall be consulted periodically and shall prepare an annual report on the situation as regards fish resources, on ways and means of conserving fishing grounds and stocks and the scientific and technical facilities available in the Community.

2. The Council, acting on a proposal from the Commission, in accordance with the procedure laid down in Article 43(2) of the Treaty, shall adopt measures to facilitate the coordination of Fisheries Research Centres in the Community engaged in establishing the scientific data required for fish conservation policies. Such measures may include financial assistance.

Articles 14 to 17 unchanged

EXPLANATORY STATEMENTIntroduction

1. In its communication to the Council on 23 September 1976 the Commission proposes a number of recommendations to form the basis of Community policy with respect to the extension of fishing zones to 200 miles by the Community and Third Countries in anticipation of the conclusions of the third UN Conference on the Law of the Sea.

2. Two broad policies are involved :

(a) negotiations with third countries to establish reciprocal agreements to provide continued fishing by Community fleets in the future zones of Third Countries;

(b) to establish a regime to govern fishing within the future Community zone.

3. Consequently, the Committee on Agriculture is consulted on a proposal for a Council regulation establishing a Community system for the conservation and management of fishery resources (COM(76) 535 final). This should be examined in the light of the Commission's communication on a future external fisheries policy and internal fisheries system (COM(76) 500 final).

Community fish conservation policy

4. The background to the recommendations and proposals of the Commission is formed by the general over-fishing of the North Sea, North East Atlantic and, incipiently, the Baltic, and the collapse of fish resources.

5. The problem of over-fishing has been greatly increased by the high levels of capital investment in the past two decades, leading to reductions in stocks and diminished catches. As there is a tendency to offset reduced catches by increasing the efficiency of boats, catches increase beyond the point at which yields can be sustained by natural regeneration. The Community catch doubled between 1958 and 1968; since then, and despite a continuous increase in effort and resources, the catch has failed to increase and for the majority of fish species has fallen.

The situation of the fishing industry seriously deteriorated through 1975. In the North Sea, quotas were often not reached, and when they were consequences for stocks were grave; herring stocks are in a particularly serious state in view of the failure to suspend fishing. Catches were down by as much as 14%. To this problem has been added mounting costs, falling demand and a depressed market. In the non-fresh fish market, stocks have been very high, resulting in Community measures to meet part of storage costs and export subsidies. In the fresh fish sector, prices have been lower than in the previous five years.

Complicating the picture further have been the unsatisfactory jurisdictional structures, insufficient conservation measures, the uncertainty surrounding the Law of the Sea Conference and extension of fishing zones by Third Countries : the Italian long range fleet has been reduced by one-third, as a result of extension of fishing zones by African countries.

Generally, returns have fallen below levels necessary for a viable fleet, and gross earnings have dropped by 22% and 24% in Denmark and Germany respectively.

The only bright spot has been the development by the United Kingdom of blue whiting in the North East Atlantic.

1975 landings (tonnes)

	<u>Amounts</u>	<u>% change</u>
Belgium	38,317	- 1.7
Denmark	1,850,000	- 5
France	449,700	- 5.6
Germany	297,000	- 10
Ireland	84,650	+ 11.4
Italy	390,783	- 4.1
Netherlands	306,744	+ 4.4
United Kingdom	868,900	- 10.4

6. The basic problem is to restrict levels of catches for the great majority of species so that stocks can be rebuilt.

The problem must be dealt with at a Community and international level. National measures alone will not suffice. The spawning and fishing grounds of the great majority of fish species cut across the demarcation lines of future fishing zones. Therefore, any effective conservation policy requires firstly a Community system and secondly international agreement.

Within the Community 200 mile zone, the problem is greatly increased/ by the establishment of a 200 mile zone by Third Countries covering water traditionally fished by Community boats. The Community deep sea fleets are forced back into Community zones, creating ever greater pressure on fish stocks and the inshore fishing sector. The mere creation of fishing zones will do little to solve this basic problem.

#### Negotiations with Third Countries

7. The most pressing need is for negotiations with Third Countries to ensure continued access for Community fishermen in the future economic zones of those countries. Such negotiations must be concluded with a minimum of delay to prevent disruption of the fishing industry and to facilitate and clarify the structural adjustment which will be required. A global approach must be adopted, in which not only reciprocal fishing rights but also commercial arrangements (such as continued exports from Third Countries to the Community market) can be traded off.

8. There are three main groups of states with which the Community must negotiate :

- (a) those with whom the balance of interest is equal and who favour the extension of 200 mile limits:

- Norway
- Faeroes
- Canada
- Sweden
- Yugoslavia

With these countries it should be possible to reach rapid agreement on reciprocal fishing quotas, and, almost equally important, joint stock conservation measures;

Iceland falls into a special category in that, while Icelandic fishermen have an interest in fishing in a Community zone, the importance of fish to the Icelandic economy and the dangerously low stock levels must limit the scope of any future agreement, though by balancing commercial arrangements and fishing rights, a limited agreement ought to be possible;



(b) those countries with whom the Community is the interested partner:

USA

In negotiations the Community must seek to maintain fishing access even though there is virtually no American fleet in European waters;

(c) those countries which are the interest parties:

USSR

East Germany

Poland

Spain

Portugal

Negotiations will concentrate mainly on ensuring that the Community zone is respected.

9. Clearly, priority in negotiations must be given to reaching agreements with Norway, Canada and the United States, and with those countries with which Member States' bilateral agreements are coming to an end; for example, agreements between Italy, Yugoslavia, Senegal and Tunisia; and Iceland, the United Kingdom, Germany and Belgium.

A further series of agreements are of equal importance : Regional Conservation Agreements to maintain and develop fish stocks which must, as will be made possible by 200 mile fishing zones, go beyond the limited competences given to ICNAF, NEAFC and ICSEAF.

10. While much attention is, of necessity, paid to the North East Atlantic and the North Sea, there are equally important issues at stake in the Baltic and Mediterranean. In the Baltic, for example, no decisions have yet been reached as to whether existing agreements with Third Countries will be maintained or whether fishing zones will be created. In the immediate future, it would seem to be appropriate to maintain the existing satisfactory agreements.

It is of the utmost importance to ensure that as Community fishing zones are established in the Atlantic and North Sea, the exclusion of fleets from Third Countries does not have detrimental effects on Community fishermen in the Baltic.

Your rapporteur would also like to insist upon the fact that Community zones established off Greenland and the islands of St Pierre and Miquelon should be freely accessible to all Community fishermen, while safeguarding the interests of local inshore fishermen traditionally fishing those waters.

### An internal fisheries system

11. The re-adjustment of fishing activities which will be required by the extension of fishing zones can only be possible on the basis of a Community fish conservation policy. Without an effective conservation policy, it will not be possible to mediate between the political problems which will be created, nor to draw up the guidelines for structural policy. Consequently, it is evident that the question of whether an internal regime can be implemented depends on an effective conservation policy, backed up by adequate monitoring and enforcement measures.

12. The first step proposed by the Commission in such a policy would be for the statistical information on the biological resources of the Community zone to be transmitted to a Community Scientific and Technical Fisheries Committee, to be used to fix total annual catches for most species.

On the basis of these total annual catches, supplementary measures will be drawn up and in particular :

- annual quotas per stock or group of stocks;
- restrictions on fishing in certain areas for part of the year;
- and measures governing the size of meshes and equipment to be employed.

13. The volume of total annual catches, minus total catches allocated to Third Countries, together with catches by Community fishermen in the waters of Third Countries, will be used to draw up the quotas allocated to Member States.

A Community quota will be established to be used, in priority, for fishermen in Ireland and Northern United Kingdom, who have traditionally fished the stocks of the species concerned.

The importance of the fishing industry to the economies of each region of the Community, and to the commercial balance and development plans of each country, must be kept firmly in view :

	<u>1974</u>		<u>1975 '000 tonnes</u> <sup>1</sup>	
	<u>Catches %</u>	<u>Weight tonnes</u>	<u>Exports</u>	<u>Imports</u>
Denmark	31	1,835,370	201.2	138.5
United Kingdom	23.1	1,103,536	96	113.9
France	16.8	807,507	43	156.3
Germany	9	525,713	51	220.4
Italy	8.9	425,390	37.1 <sup>2</sup>	125.4 <sup>2</sup>
Netherlands	7.9	325,900	92.8	61.2
Ireland	2	89,516	18.5	3.4
Belgium	1.3	46,371	15.4	45.1

<sup>1</sup> Fresh and frozen fish, OECD, Review of Fisheries 1975, p.31

<sup>2</sup> Estimates

	<u>Fishing as a % of G.D.P.</u>	<u>Fishing as a % of the agricultural sector of G.D.P.</u> <sup>1</sup>
	<u>1973 figures except where stated</u>	
Denmark	0.55	8.87
Germany (1972)	0.13	4.56
Italy	0.16	1.77
Netherlands (1971)	0.15	2.86
Ireland	0.34	2.11
Belgium	0.06	.15
France	not available	not available
United Kingdom	0.15	4.83

<sup>1</sup> Source : OECD National Accounts 1962 - 1973.

#### National waters and regional interests

14. The Commission's proposal provides, under Article 6, for the continuation of national jurisdiction within the twelve mile limits at present in force, until 31 December 1982. This is, of course, a mere incorporation into the Commission's proposal of the existing situation, and so adds nothing new.

15. In establishing a Community quota to be used for fishermen in Ireland and Northern United Kingdom, the Commission has recognised the importance of safeguarding their interests.

Moreover, the special place fishing occupies in the economy or development plans of certain areas in the Community has already been recognised by the Agreement reached in the Council on 2 November 1976, that the Irish fishing industry be allowed to develop without undue restriction by the Community internal fisheries regime.

This principle of the protection of certain regional interests should be extended to include localised communities, heavily dependent on fishing, and particularly those normally employing boats of a limited size and equipment closely adapted to fish conservation requirements. Such communities should not necessarily be restricted to Ireland and Northern United Kingdom, but could include certain areas of South-West England, France, Italy, Greenland and the islands of St Pierre and Miquelon. These areas could best be protected by the creation of fishing zones of variable extent, in which the fishing of specified species would be limited to boats of certain size and equipment, throughout or for part of the year. Clearly, with the deep sea fleets being forced closer to Community shores, the mere extension of national zones would do little to protect the interests of inshore fishermen. A Community

approach, integrating the needs of communities dependent on fishing with the requirements of conservation, is required.

### Research

16. In order for conservation policies to be acceptable and practicable, two elements are essential : adequate information on the biological resources of the sea, and an effective system of sanctions.

For any proposed conservation policy, a great deal of uncertainty is unavoidable, both as to the extent of existing stocks and the effect of measures adopted on future catches. Moreover, the present state of knowledge is incomplete as to the effect of any given level of catches of one species on catches of other species and the food chain.

Furthermore, greater information is required as to possible levels of industrial fishing on less exploited fish species, the additional possibilities that are open and the limitations that should be imposed.

Consequently, it is essential that research throughout the Community should be coordinated and strengthened; the Community should envisage financial support to national research institutes.

### Enforcement

17. The question of whether the system of fish conservation proposed by the Commission will be acceptable to the Member States will depend to a very great extent on the degree to which it can be enforced. Up to the present, the International Fisheries Commissions, having little power beyond making recommendations, have not proved very effective.

18. The question of enforcement at Community level is extremely difficult, since no true Community jurisdiction can be said to exist. There is no way the Community can enforce directly respect of measures adopted, except by the creation of an obligation for Member States to ensure observation. Even in such a case, problems may exist in countries where infringement of the Community provisions to be established does not constitute an offence, or where sanctions, such as fines, are inadequate.

19. It is in this vital area of enforcement that the Commission's proposal is unacceptably vague : Article 11<sup>1</sup> simply states that the Council shall establish a system of sanctions in the event of an infringement of the provisions of the proposed regulation. There is no indication as to the sanctions envisaged, or how they might be enforced.

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<sup>1</sup> COM(76) 535 final

On the other hand, Article 8 states that there shall be progressively established a system of permits for all fishing carried on by way of trade. Evidently if such a system were to be implemented, permits could be withdrawn from individual fishermen or private companies not respecting the conservation measures.

Unfortunately, no details are given on methods for granting permits nor the institutions, whether national or Community, to be responsible. Permits granted by national administrations alone may be ineffective as a sanction. Far greater detail is required on this point. Moreover, it is not clear whether the Commission envisages that boats from Third Countries fishing in Community waters would require permits.

As a further step, the Commission might consider, in the course of future revision of quotas, their reduction for Member States which do not enforce respect for conservation measures.

#### Structural policy

20. Effective structural policies are essential to create a healthy fishing industry, and so make possible the implementation and continued operation of the conservation measures proposed by the Commission.

In an internal fisheries policy, the pursuit of essential conservation goals should not result in overlooking the need to reach the optimum level of fishing, that at which the difference between the value of the catch and the cost of catching reaches a maximum. There are considerable difficulties in such a policy : differences between Member States in the value and weight of catches, the scale of fishing, the types of boats employed, the labour, port and administrative costs, the financial and fiscal situation and the marketing networks.

21. A system to analyse these types of problems is required to establish the effect of a particular policy in each major fishing region of the Community : for example, breaking up of certain types of boats, developing more efficient vessels, reductions in catches, greater marketing facilities. Such computerised programmes do exist in a number of Member States; a Community-wide programme is required.

22. Structural policy must be clearly placed in its economic context : existing and foreseeable market trends, production costs, contribution of the fishing industry to regional economies and alternative employment available within fishing communities.

23. Structural policy is rarely placed in its regional context, and it is equally rare for such an approach to make sense. The structures of the fishing industry and the problems faced, vary considerably from region to region. Moreover, the solutions which can, and should, be adopted in each region depend to a considerable extent upon decisions taken as to the future internal fisheries regime, and in particular conservation measures.

24. The Commission's proposals for the restructuring of the Community's fishing fleets do not give sufficient attention to these difficult and complex problems, merely providing for the classic mix of measures for the permanent or temporary withdrawal of boats and the planned reduction of fishing by boats belonging to recognised producers' organisations. No details are provided on the amounts to be granted by the Guidance Section of the EAGGF to encourage such operations, the types of boats to be covered, the duration of such measures or the cost to the Community budget. In such circumstances, it is difficult for the European Parliament to give a reasoned opinion, beyond indicating that measures of the sort outlined are necessary; judgment as to their possible efficacy must await further information.

25. On the other hand, your rapporteur is happy to note that the Commission has drawn attention (Article 12 (d) and (e)) to the need to intensify research for new species and fishing grounds, and the techniques for exploiting and marketing species not generally used at present for human consumption. It is of great importance that the Commission should provide, as they have failed to do so, for aids to facilitate the transformation of processing equipment to accommodate new fish species.

26. The Commission has rightly provided for economic measures to facilitate the phased conversion of certain plants producing significant quantities of fish meal and fish oil. Industrial fishing is an important problem, but mere provision for conversion grants of undefined amounts will contribute very little. Industrial fishing is of great importance to the economies of certain regions :

Fish production 1975 ('000 tonnes)

	<u>Food</u>	<u>Industrial</u>	<u>Fish meal</u>
Denmark	293	1439	315
Greenland	48	-	-
France	683	9	20
Germany	383	38	55
Ireland	65	11	-
Italy	388	2.4	-
Netherlands	284	22	-
United Kingdom	755	114	79

A realistic policy in regard to industrial fishing should consist of three elements :

- (a) research on the effects of industrial fishing on the food chain and fish food resources of the sea, in order to establish the species of fish suitable for industrial fishing and the intensity of catches to be permitted; it is possible that industrial fishing of certain species may improve the food balance for species used for human consumption;
- (b) the conversion of certain boats and fish meal plants;
- (c) the provision, in conjunction with the Social and Regional Funds, of alternative employment in areas most affected by measures adopted.

27. The Commission's structural policies are put forward without any attempt at analysis of the impact of other proposals, particularly conservation policies, on costs and incomes in the fishing sector. Controlled catches, for example, may lead to increased prices, thus increasing returns to boats and so rendering existing fleets more viable. The value of catches varies considerably from year to year, and by species; income is not directly related to the size of catches :

<u>Landings - Germany<sup>1</sup></u>						
	<u>weight (1000 kg)</u>			<u>value (1000 DM)</u>		
	1972	1973	1974	1972	1973	1974
Herring	8,889	7,136	8,441	4,924	4,474	5,707
Cod	68,362	55,515	38,675	58,226	60,239	52,806
Plaice	4,121	4,736	2,812	1,470	2,063	1,236

Changes in prices may considerably alter consumption patterns. Possible trends in consumption should be analysed and measures provided to counter negative effects.

In addition, a switch to smaller, multi-purpose boats would considerably reduce costs.

28. Moreover, insufficient attention has been paid to the very important differences in prices between Member States of the Community :

<u>Unit values by country 1973 (1000 kg)</u>								
	<u>Ger</u>	<u>Fr</u>	<u>It</u>	<u>Neth</u>	<u>Bel</u>	<u>UK</u>	<u>Irl</u>	<u>Dk</u>
Herring	117	221	-	204	210	138	135	69
Cod	355	580	-	484	493	474	261	353
Haddock	565	383	-	368	293	360	180	302
Striped mullet	198	2744	1948	967	-	121	-	53
Halibut	1199	893	-	2242	1095	1170	-	1312
Mackerel	129	202	816	144	206	100	86	91

<sup>1</sup> The example of one country has been taken in view of the incomplete series of recent figures for all Member States. A similar picture emerges in each country.

29. Summarising, the Commission's proposals for structural policies are insufficient in information provided on the extent and on the conditions of aid to be granted, and are incomplete in terms of the range of policies proposed and the factors taken into account. Conservation and structural policies should not be drawn up separately, but should be seen as inter-acting in terms of prices, incomes, costs and consumption. Much greater information must be provided on the possible outcome of each of the options open to the Community.

The Commission's proposals are incomplete in the types of measures proposed, and greater attention should be paid to :

- creating a more efficient fleet, composed of multi-purpose vessels of smaller size than those currently employed by deep sea fleets, together with an improvement in port facilities, in order to reduce overall costs;
- improving marketing networks, particularly between Member States, to ensure a higher overall return;
- to examining species of fish suitable for industrial fishing;
- to switching intensity of fishing from endangered species to under-fished species, such as blue whiting and horse mackerel; this will require efforts to adapt processing equipment to handle these less-fished varieties, and to improve the marketing of them.

30. At the same time, considerable effort must be made to create alternative employment, particularly for land based workers in areas dependent on the fishing industry and for those in the fish meal industry; development programmes should be coordinated with the Social and Regional Funds.

### Conclusions

31. The Committee on Agriculture supports the principles contained in the Commission's proposal, and in particular the establishment of a quota system to preserve and re-establish fish stocks, but has serious reservations concerning the inadequacy of the sanctions proposed.

32. The Committee on Agriculture, furthermore, urges that reciprocal fishing agreements be reached in the coming months with Norway, Canada and the United States, and that there be initiated conferences to draw up international conservation agreements with real powers covering the North Atlantic, North Sea and the Mediterranean.



33. At the same time, the Committee is concerned that insufficient attention has been paid to problems in the Baltic and Mediterranean , and in particular :

- that the Community ensure that the extension of fishing zones in the North Sea and North East Atlantic does not have detrimental effects on the position of Community fishermen in the Baltic;
- and that the Commission be given a mandate to negotiate with Italy's neighbours in the Mediterranean, particularly with those states whose fishing agreements are coming to an end.

34. The Committee on Agriculture approves the proposed continuation of 12 mile limits but believes that insufficient attention has been paid to regional communities dependent on the fishing industry, and that variable reserves zones should be created in which priority is given in catches of specific species to fishermen who have traditionally fished those waters, employing boats of a limited size and equipment particularly adapted to conservation.

Greater attention should also be paid to the impact of an internal fisheries policy on the economies, exports and development plans of each country and region. A working model is required which will enable the effect of each alternative conservation and structural measure to be assessed in terms of cost effectiveness and maximising the return to the producer.

35. This Committee recognises that an effective structural policy is an essential requirement for proper fisheries management, and believes that the Commission's proposals should give greater priority to :

- creating a lower cost multi-purpose fleet;
- improving marketing networks;
- adapting processing and marketing structures to under-exploited fish species;
- examining the species of fish suitable for industrial fishing;
- and creating alternative employment for land based workers who will be most affected by structural changes in fishing activity.

At the same time, the Committee on Agriculture finds the Commission's proposals incomplete in two respects :

- (a) no details are provided on the amounts and conditions of aid to be granted from the Guidance Section of the EAGGF for reconversion of boats and processing plants, nor on the period during which such measures will be applied and the estimated cost to the Community budget;
- (b) no attention has been paid to the effect of conservation policies, and in particular quotas on prices, consumption and income, and the significance of such trends on the goals of structural policy : conservation and structure have been considered as separate elements when in fact they must be intimately related.

36. Finally, the Committee on Agriculture believes that greater attention should be paid to coordinating and strengthening fisheries research centres within the Community.

Summary tables of fish production in 12 mile zones,  
Community zone and Third waters<sup>1</sup>

1. Total production in the EEC Pool
2. Community production in EEC waters and outside 12 miles
3. Community production in EEC waters inside and outside 12 miles
4. Community production inside 12 mile zones (own zones and zones of other Member States)
5. Production in 12 mile zones, Community waters and Third waters by selected species and overall totals
6. Production in Member States' 12 miles as a percentage of production in Community 200 mile zone

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<sup>1</sup> These tables have been established by the Commission on the basis of information supplied by Member States and ICES. They should be considered as providing no more than a general indication of the actual situation. Certain figures supplied by Member States contain margins of error, while uncertainty always exists as to area of catches. Figures correspond to averages for 1971 to 1975, except for Denmark (1973 to 1975), Italy (1975 only) and Third Countries (1972 to 1974).

1. TOTAL PRODUCTION IN THE EEC POOL

	Average 1971-1975 '000 tons	%
Community production in the EEC zone	3,438	73.9
Third Countries production in the EEC zone	1,215	26.1
TOTAL EEC Pool	4,653	100

2. COMMUNITY PRODUCTION IN EEC WATERS AND OUTSIDE 12 MILES

	Own 12 miles	12 miles other EC Member States	12-200 miles EC waters	Total Community Pool
1 000 tons	1 465	157	1 816	3 438
%	42.6	4.6	52.8	100

3. COMMUNITY PRODUCTION IN EEC WATERS INSIDE AND OUTSIDE 12 MILES

	Own 12 miles		12 miles other EC Member States		12-200 miles EC waters		Total Community Pool	
		%		%		%		%
B	2	5	11	25	31	70	44	100
DK	271	22	32	3	915	75	1 218	100
D	68	38	12	7	98	55	178	100
F	213	36	79	13	298	51	590	100
IRL	.68	82	-	-	15	18	83	100
I	243	78	-	-	67	22	310	100
NL	155	48	21	7	144	45	320	100
UK	445	64	2	0,3	248	35,7	695	100
EC TOTAL	1 465	42,6	157	4,6	1 816	52,8	3 438	100

4. COMMUNITY PRODUCTION INSIDE 12 MILE ZONES (OWN ZONES AND ZONES OF OTHER MEMBER STATES)

1,000 tons									
12 mile zones Catch by Member St.	B	DK	D	F	IRL	I	NL	UK	TOTAL
B	2			0.1	0.2		1.3	8.2	13
DK		271	5				20	7	303
D		11	68				1		80
F	3	1		213	22		3	50	292
IRL					68				68
I						243			243
NL	3	2	4	2	8		155	12	186
UK					2			445	447
<b>Total in 12 mile zones</b>	<b>8</b>	<b>285</b>	<b>77</b>	<b>215</b>	<b>100</b>	<b>243</b>	<b>180</b>	<b>522</b>	<b>1 632</b>

5. PRODUCTION IN 12 MILE ZONES, COMMUNITY WATERS AND THIRD WATERS BY SELECTED SPECIES AND OVERALL TOTALS<sup>1</sup>

	1,000 tons			
	Own 12 miles	12 miles other EEC States	12 - 200 miles	Community and Third waters
Cod	117	23	205	783
Herring	257	24	219	620
Sole <sup>2</sup>	5.2	2.8	18	26.8
Plaice	28.8	4.3	92.5	158.2
Haddock	52	5.4	104.2	231.7
Whiting	54.6	16.9	120.8	170.5
Total all fish	817.9	148.5	1,564.7	3,502.9
Molluscs and crustaceans	340	4.8	42	389.2
Total all sea products	1,155.4	153.3	1,607.7	3,892.1

<sup>1</sup> Excluding Germany and Italy

<sup>2</sup> Excluding Denmark and Ireland

6. PRODUCTION IN MEMBER STATES' 12 MILES<sup>1</sup> AS A PERCENTAGE OF PRODUCTION  
IN COMMUNITY 200 MILE ZONE<sup>2</sup>

	%
Cod	40.5
Herring	56.2
Sole <sup>3</sup>	30.7
Plaice	26.4
Haddock	35.1
Whiting	36.9
Total all fish	38.1
Molluscs and crustaceans	89.1
Total all sea products	44.8

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<sup>1</sup> Includes catches by coastal Member State and other Member States

<sup>2</sup> Excluding Germany and Italy

<sup>3</sup> Excluding Denmark and Ireland

OPINION OF THE LEGAL AFFAIRS COMMITTEE

Letter from the chairman of the committee to Mr HOUDET, chairman of the Committee on Agriculture

Brussels, 26 November 1976

Dear Mr Houdet,

On 4 November 1976 the proposal for a regulation (Doc. 373/76) establishing a Community system for the conservation and management of fishery resources was referred to the Legal Affairs Committee for its opinion. On 17 November 1976 my Committee was asked to give its opinion on a motion for a resolution (Doc. 425/76) on the extension of fishing zones of Community Member States and the preservation of fish stocks within the Community's proposed 200-mile exclusive economic zone.<sup>1</sup>

At its meeting on 25/26 November 1976 the Legal Affairs Committee considered these two documents, and decided that, in view of the close links between the two subjects, it would be appropriate to treat both in one opinion. (We understand that your Committee, as committee responsible for both documents, will be following a similar procedure in the preparation of your report.)

The Committee requested Mr Bangemann to examine these documents and to prepare a text to act as a basis for discussion.

As a result of its discussion, the Committee<sup>2</sup> unanimously came to the conclusions which are set out in the attached annex.

Yours sincerely,

Sir DEREK WALKER-SMITH

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<sup>1</sup> Tabled by Mr Dykes, Mr Fletcher, Mrs Kellett-Bowman, Mr Scott-Hopkins and Mr Spicer.

<sup>2</sup> Present: Sir Derek Walker-Smith, Chairman; Mr Jozeau-Marigné, Vice-Chairman; Lord Arwick; Mr Bangemann; Mr Bayerl; Mr Broeksz; Mr Calewaert; Sir Geoffrey de Freitas; Mr Geurtsen; Lord Murray of Gravesend; Mr Radoux; Mr Rivierez; Mr Scelba; Mr Schwörer; Mr Shaw; Mr Walkhoff; Mr Zagari.

ANNEX

Conclusions of the Discussion in the Legal Affairs  
Committee's meeting on 25/26 November 1976 concerning

- the proposal for a Council Regulation (EEC) establishing a Community system for the conservation and management of fishery resources (Doc. 373/76); and
- the motion for a resolution tabled by Mr. Dykes, Mr. Fleicher, Mrs. Kellelt-Bowman, Mr. Scott-Hopkins and Mr. Spicer on the extension of fishing zones of Community Member States and preservations of fish stocks within the Community's proposed 200-mile exclusive economic zone (Doc. 425/76)

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I. INTRODUCTION

1. In the introduction to the proposal for a regulation, the Commission refers to its Communication to the Council on 18 February 1976<sup>1</sup>, in which certain guidelines were put forward that might form the basis of a Community system for the management of fishing resources after the establishment of 200-mile economic zones.

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<sup>1</sup> See Doc. COM(76) 59 final

2. At its meeting of 27 July 1976 the Council adopted a declaration of intent with regard to the establishment of a Community fishing zone. In this declaration the Council noted an increasing trend amongst countries with large-scale sea fishing industries to extend unilaterally their fishing zones to 200 miles, without awaiting the outcome of the United Nations Conference on the Law of the Sea<sup>1</sup>. The Council therefore expressed its resolve to protect the legitimate interests of Community fishermen.

3. With this aim in view the Council, meeting in The Hague on 30 October 1976, adopted a draft resolution in which it affirmed the need for Member States to take concerted action to extend their fishing zones to 200 miles as from 1 January 1977 and stressed the urgent need for action on the part of the Community to protect its legitimate interests in the fisheries sector.

4. The guidelines announced by the Commission in its Communication of 18 February 1976 are now set out in the form of the proposal for a regulation that is the subject of this opinion.

## II. THE PROPOSAL FOR A REGULATION

5. The proposal for a regulation sets the Community system for the conservation and management of fishery resources within the framework of the Council's decision to extend the limits of the North Sea and North Atlantic fishing zones to a distance of 200 miles as from 1 January 1977 by means of concerted action on the part of the Member States.

It provides therefore in Article 1 for specific measures to ensure the protection of fishing grounds and fishing stocks.

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<sup>1</sup> Iceland, Norway, the United States, Canada and South Africa have already decided to establish such fishing zones unilaterally as from January or April 1977.



6. It fixes 31 December 1982 as the date until which the total allowable catch mentioned in Article 3 is to apply. This is the same date as laid down in Article 100 of the Act of Accession concerning restrictions on fishing in waters under the sovereignty or jurisdiction of the Member States, situated within a limit of six nautical miles.

7. Article 7 of the proposal for a regulation, which extends beyond 31 December 1982, subject to any decisions which the Council may take before that date, the application of Articles 100 and 101 of the Act of Accession, deserves particular attention from a legal point of view.

From the legal point of view it is not quite clear what the connection is between the establishment of 200-mile fishing zones and the extension beyond 31 December 1982 of the arrangements established by Articles 100 and 101 of the Act of Accession.

The following interpretation applies: the draft regulation leaves the legal rules contained in Articles 100 and 101 of the Act of Accession basically unchanged, since the Act is of a legal nature different from that of a regulation. The regulation, including Article 7, can later be completed, modified or suspended in conformity with the Community's legislative procedure at any time without prejudice to Articles 100 and 101.

8. There are no comments to be made on the other provisions of the proposal for a regulation.

9. Given the observations on Article 7, the Commission's proposal may be approved.

### III. THE MOTION FOR A RESOLUTION

10. In the light of the extension of Member States' fishing zones and the preservation of fish stocks within the 200-mile economic zone, rules for which have been proposed by the Commission to the Council in the abovementioned proposal for a regulation, the points in the motion for a resolution relating to the following items are particularly significant:

- system of control by issuing licences;
- extension of the coastal zone to 12 miles;
- protection of fish stocks;
- policing of coastal waters by the coastal Member States;
- special provisions for those coastal areas particularly dependent on the fishing industry.

11. The need for a system of control by means of the issuing of permits is dealt with in Article 8 of the proposal for a regulation, which refers to Article 15 (procedure of the Management Committee for Fishery Resources) for detailed rules for the application of the article.

12. Under Article 6 of the proposal for a regulation, the coastal zone is limited to an area of 12 nautical miles. This provision is in conformity with the present Community regulations, which grant certain privileges to coastal fishing, thus making certain exemptions from the principle of equal conditions of access to and use of the fishing grounds (Article 2 of Council Regulation (EEC) No. 101/76 of 19 January 1976). Moreover, this is without prejudice to the application of Articles 100 and 101 of the Act of Accession.

13. The protection of fish stocks is the basic objective of the proposal for a regulation, which provides for specific measures to this end. As has already been pointed out, there are no comments to be made on it from the legal point of view.

14. The question of the policing of coastal waters is linked up with the control measures set out in Article 8 of the proposal for a regulation. This control, to be organized on a Community basis, should extend to the entire range of measures for preserving fish stocks and should cover both the activities carried out in the fishing grounds and the quantities of fish unloaded. It is clear that the application of these Community control measures will call for a greater effort on the part of the national administrations, which will have to shoulder the responsibility for implementing Community regulations in their own waters.

15. Finally, Article 4 of the proposal for a regulation refers explicitly to the establishment of a Community reserve, the amount of which shall be determined by reference to the vital needs of fishermen in Ireland and the northern regions of the United Kingdom.

#### IV. CONCLUSIONS

16. The Legal Affairs Committee takes the view that Parliament may approve the Commission's proposal for a regulation establishing a Community system for the conservation and management of fishery resources.

17. With regard to the motion for a resolution on the extension of fishing zones and the preservation of fish stocks, the Legal Affairs Committee feels that some of the requests it makes have already been taken into consideration in the abovementioned proposal for a regulation.

As far as the remaining requests are concerned, Parliament might invite the Commission to make a thorough study of them and to submit suitable proposals to the Council within a reasonable period of time.

18. It may be pointed out that the Legal Affairs Committee will also shortly be studying the problems of the fishing sector within the framework of its report on the entire complex of problems discussed at the United Nations Third Conference on the Law of the Sea. But the Commission's draft regulation fits into the common position of the Community which is already recognisable and will therefore not lead to any difficulties from a general point of view.

OPINION OF THE COMMITTEE ON BUDGETS

Letter from the chairman of the committee to Mr R. HOUDET, chairman  
of the Committee on Agriculture

Brussels, 25 November 1976

Dear Mr Houdet,

At its meeting of 23/25 November 1976 the Committee on Budgets considered the proposal for a Community regulation on the conservation and management of fishery resources. The proposal contains the following provisions:

- measures for the conservation of stocks, possibly linked with restrictions on fishing;
- rules governing the use of fishery resources;
- special provisions for in-shore fishing;
- announcement of structural measures.

The Committee on Budgets can only comment on the structural measures, since these alone will have financial implications.

Article 12 of the proposed regulation incorporates these structural measures to help deep-sea fishing among the common measures within the meaning of Article 6(1) of Council Regulation (EEC) No. 729/70 of 21 April 1970 on the financing of the common agricultural policy<sup>1</sup>.

The explanatory memorandum states that the Commission intends to submit to the Council by 1 March 1977 a proposal for these common measures, which will require funds from the EAGGF to implement the stated objectives.

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<sup>1</sup>

Since this involves the structural adaptation of deep-sea fishing to the reduced catch potential, the expression 'economic measures' is misleading and should be replaced.

The Commission estimates the financial implications of the proposed measures at 400 m u.a., spread over a period of five years.

The Committee on Budgets is of the opinion that the proposal for a regulation forms part of a Commission plan which will not have any prejudicial effect on the measures yet to be proposed. On this basis the committee was able to deliver a favourable opinion on the proposal for a regulation. However, it will not be able to study the financial implications of the proposed programme in detail until the measures have been more clearly defined.

Yours sincerely,

(sgd) Erwin LANGE

Present: Mr Artzinger, acting chairman; Mr Albotini, Lord Bessborough,  
Mr Brugger, Mr Clerfâyt, Mr Fruh, Mr Gerlach, Mr Haase,  
Mr Lautenschlago, Mr Mursch, Mr Suck and Mr Yeats.